

1-1 By: Watson S.B. No. 1315
1-2 (In the Senate - Filed March 11, 2015; March 18, 2015, read
1-3 first time and referred to Committee on Intergovernmental
1-4 Relations; May 6, 2015, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 5, Nays 0;
1-6 May 6, 2015, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10			X	
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15			X	

1-16 COMMITTEE SUBSTITUTE FOR S.B. No. 1315 By: Lucio

1-17 A BILL TO BE ENTITLED
1-18 AN ACT

1-19 relating to low income housing tax credits awarded for at-risk
1-20 developments.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Section 2306.6702(a)(5), Government Code, is
1-23 amended to read as follows:

1-24 (5) "At-risk development" means:

1-25 (A) a development that:

1-26 (i) has received the benefit of a subsidy in
1-27 the form of a below-market interest rate loan, interest rate
1-28 reduction, rental subsidy, Section 8 housing assistance payment,
1-29 rental supplement payment, rental assistance payment, or equity
1-30 incentive under the following federal laws, as applicable:

1-31 (a) Sections 221(d)(3) and (5),
1-32 National Housing Act (12 U.S.C. Section 1715l);

1-33 (b) Section 236, National Housing Act
1-34 (12 U.S.C. Section 1715z-1);

1-35 (c) Section 202, Housing Act of 1959
1-36 (12 U.S.C. Section 1701q);

1-37 (d) Section 101, Housing and Urban
1-38 Development Act of 1965 (12 U.S.C. Section 1701s);

1-39 (e) the Section 8 Additional
1-40 Assistance Program for housing developments with HUD-Insured and
1-41 HUD-Held Mortgages administered by the United States Department of
1-42 Housing and Urban Development as specified by 24 C.F.R. Part 886,
1-43 Subpart A;

1-44 (f) the Section 8 Housing Assistance
1-45 Program for the Disposition of HUD-Owned Projects administered by
1-46 the United States Department of Housing and Urban Development as
1-47 specified by 24 C.F.R. Part 886, Subpart C;

1-48 (g) Sections 514, 515, and 516,
1-49 Housing Act of 1949 (42 U.S.C. Sections 1484, 1485, and 1486); or

1-50 (h) Section 42, Internal Revenue Code
1-51 of 1986 (26 U.S.C. Section 42); and

1-52 (ii) is subject to the following
1-53 conditions:

1-54 (a) the stipulation to maintain
1-55 affordability in the contract granting the subsidy is nearing
1-56 expiration; or

1-57 (b) the HUD-insured or HUD-held
1-58 [~~federally insured~~] mortgage on the development is eligible for
1-59 prepayment or is nearing the end of its term; or

1-60 (B) a development that proposes to rehabilitate

2-1 or reconstruct housing units that:
2-2 (i) are owned by a public housing authority
2-3 and receive assistance under Section 9, United States Housing Act
2-4 of 1937 (42 U.S.C. Section 1437g); or
2-5 (ii) received assistance under Section 9,
2-6 United States Housing Act of 1937 (42 U.S.C. Section 1437g) and:
2-7 (a) are proposed to be disposed of or
2-8 demolished by a public housing authority; or
2-9 (b) have been disposed of or
2-10 demolished by a public housing authority in the two-year period
2-11 preceding the application for housing tax credits.
2-12 SECTION 2. The change in law made by this Act applies only
2-13 to an application for low income housing tax credits that is
2-14 submitted on or after the effective date of this Act. An
2-15 application for low income housing tax credits that is submitted
2-16 before the effective date of this Act is governed by the law in
2-17 effect when the application was submitted, and the former law is
2-18 continued in effect for that purpose.
2-19 SECTION 3. This Act takes effect September 1, 2015.

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